Atlantic Richfield Company

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August 8, 2007

CERTIFIED - RETURN RECEIPT REQUESTED

Mr. Jim Sickles and Ms. Nadia Hollan-Burke Remedial Project Managers U.S. Environmental Protection Agency Region 9 75 Hawthorne Street, SFD-8-2 San Francisco, CA 94105

Subject:

July 2007 Monthly Report, Yerington Mine Site, Lyon County, Nevada: Administrative Order for Remedial Investigation and Feasibility Study, EPA Docket No. 9-2007-0005

Dear Mr. Sickles and Ms. Hollan-Burke:

Pursuant to the above referenced order issued by the U.S. Environmental Protection Agency (EPA), please note the following monthly status report for Atlantic Richfield Company (ARC) activities at the Yerington Mine Site during July 2007.

Operations, Maintenance and Site Security

- Pumpback well system averaged approximately 60.6 gpm; all 11 wells operated 24/7 with minor downtime for preventive maintenance (wells PW-4, PW-7 and PW-10)
- Arimetco heap leach fluid management system (FMS) operations continued. Total estimated gallons transferred from VLT Pond to Evaporation Pond = 126,000 gal. SSP to VLT Pond = 0 gal; SSP to Evaporation Pond = 0 gal; Plant Feed to Evaporation Pond = 0 gal; Raff sump to Phase 1 Pond = 0 gal. Pond levels: Evaporation Pond = 3.75 ft; VLT Pond = 3.75 ft; Slot 2 Pond = 7 ft. Phase I, Plant Feed and Mega ponds are dry as of May 31. Estimated inflow to ponds: Evaporation pond = 1 gpm; VLT Pond = 8 gpm; Slot 2 pond = 3 gpm.
- Break-in event weekend of July 23 involved theft of all power cables to Arimetco VLT pond pumps; VLT pumps temporarily out of service with pond at very low, non-critical level; break-in event July 27 involved theft of power cables to old pump house adjacent to bulk plant property.

Other Site Activities

- EPA personnel and contractor on site weeks of July 23 and July 31.
- Joe Sawyer (NDEP) conducted monthly site inspection July 24.
- EPA contractor, Tetra Tech, site visit July 27.



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Site Characterization (includes routine groundwater monitoring activities)

- 2Q 2007 groundwater sampling event analyses results under QA/QC review and validation.
- Site-wide monthly groundwater elevation measurements completed July 31.
- Continued preparation of draft Site-Wide Groundwater Monitoring Plan for submittal to EPA in August.
- Continued air monitoring to include meteorological monitoring, continuous PM10 monitoring, and high volume PM10 Events 149 to 153; conducted monthly maintenance on continuous PM10 monitors and high volume PM10 samplers.
- Initiated a review of the data collected during the dust storm event on June 5, 2007; began
 preparing the 2Q 2007 Air Quality Monitoring Report for submittal to EPA in August.
- Continued the phyto-remediation pilot study with sap flow and soil oxygen monitoring, initiation of the application of irrigation water with variable water quality characteristics, and the support of saplings against high wind events.
- Received BLM approval for the cultural resources survey and the implementation of the Background Soils Work Plan; initiated the health and safety orientation and field sampling program on June 25.
- Prepared and incorporated response to comments on the draft Data Management Plan, created a sample identification convention, and submitted the final version of the Data Management Plan to EPA on July 26, 2007.
- Continued the 2nd Step HFA drilling, zonal sampling and well installation program including the completion of MW-2002l, B/W-20 and B/W-22; initiated drilling and sampling of B/W-21; installed the data loggers in the two Walker River piezometers, WRP-1 and WRP-2.
- Continued preparation of the Draft Process Areas (OU3) RI Work Plan for submittal in August 2007 including: records research of Anaconda files at the American Heritage Center (University of Wyoming) on July 2-3, 2007; the development of statistical summaries of soils and groundwater data; the development of the HHRA work plan, including discussions with EPA regarding screening criteria and related topics for the HHRA; and the development of a draft screening level ecological risk assessment work plan for the Process Areas, and related habitat survey protocols.
- Continued wildlife observation activities (field surveys and camera trap photo-documentation); performed camera trap maintenance; development of quarterly wildlife patrol report, based on routine Site patrols.
- Review of EPA comments on the draft Screening-Level Inhalation Risk Evaluation Work Plan.

Planned August 2007 Activities

- Continue O&M and site security activities.
- Continue 2Q 2007 groundwater sample analysis QA/QC process.
- Conduct 3Q 2007 groundwater sampling week of August 6.
- Continue background soils sampling program.
- Respond to EPA comments on the Draft DMP, and revise the DMP for submittal by July 26.
- Continue the 2nd Step HFA program, including installation of pressure transducers in the pit lake.
- Continue the phyto-remediation pilot project.
- Submit the Draft Process Areas (OU3) RI Work Plan by August 31st.
- Submit the Draft Site-Wide Groundwater Monitoring Plan by August 8th.
- Continue the wildlife observation program on the site, including photo-documentation in the area
 of the evaporation ponds and sewage treatment ponds at the northern portion of the site.
- Participate in the Yerington Stakeholder's meeting.



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If you have any questions or comments, please feel free to contact me at (661) 287-3855 or via e-mail at thunril@bp.com.

Sincerely,

Chuck Finnemen for Roy Thun

Environmental Business Manager

cc: Mike Montgomery, EPA - via electronic mail

Joe Sawyer, NDEP – via electronic mail Tom Olsen, BLM – via electronic mail

Dan Newell, City of Yerington Manager – via electronic mail Phyllis Hunewill, Lyon County Commissioner – via electronic mail Chris Winsor, Atlantic Richfield Company – via electronic mail Todd Normane, Atlantic Richfield Company – via electronic mail John Batchelder, Atlantic Richfield Company – via electronic mail Jim Chatham, Atlantic Richfield Company – via electronic mail Stacey Waterman, Atlantic Richfield Company – via electronic mail

Rich Curley, Holland & Hart - via electronic mail

Chuck Zimmerman, Brown and Caldwell

Ed Schneider, Norwest Applied Hydrology - via electronic mail

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